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Federal Personnel Manual System

FPM Letter   920- 15

SUBJECT: Management Development
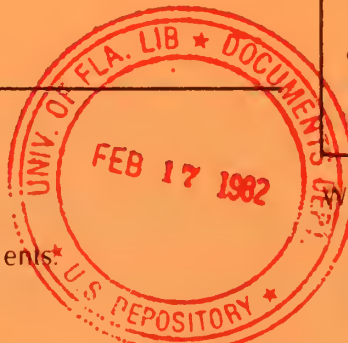
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Washington, D. C. 20415
February 11, 1982

Heads of Departments and Independent Establishments

1. _Purpose._   This letter transmits OPM guidance to agencies on the establishment of management development programs and/or systems as required by 5 CFR 412.

2. _Background._   A Management Development Advisory Committee, which included representatives from seven agencies, produced the report, _Planning for Management Development in the Government_, OPM, May 1980.   That report and agency responses to it were of great help in preparing this guidance.

3. _A Means For Productivity Improvement._   The current Administration is committed to increasing the quality and productivity of the Federal government, while reducing both cost and total employment.   This cannot be achieved without systematic efforts to help Federal managers perform better.

For loyalty, professional credentials and talent, our managerial work force compares very favorably with the managers of any large organization in the world.   However, not all of these dedicated men and women have the management competencies needed   to bring about across-the-board Federal productivity improvement.   It is the responsibility of each agency head to create a climate in which managers are constantly learning how to do their jobs better and in which carefully selected individuals are prepared to be future managers.

Management development is, first and foremost, a means for maximizing the effectiveness and productivity of organizations in support of mission accomplishment.   It should also improve individual performance, advance the better performers to higher level positions, and contribute to progress toward a more representative Federal work force at all levels.   Attachment 1 lists some of the premises and assumptions underlying the guidance in this letter.   A definition of managerial positions is contained in Attachment 2.

4. _Requirements._   Part 412 of Title 5, Code of Federal Regulations, requires the establishment of executive and management development programs.   Major provisions relating to management development are the following:

   a. "Each agency shall establish and maintain...either or both of the following, for the development of managers:

      "(i) Open management development systems offering management development opportunities to all incumbent managers and some potential managers.

      "(ii) Selective management development programs offering management development opportunities to competitively selected employees". [412.103(a)3]

   b. "Such systems and/or programs shall:

"(1) Provide management training and development experiences for both incumbent managers and specialists identified as having potential at grades GS-13 through GS-15 to meet agency and individual needs;

"(2) Serve to further progress toward affirmative action goals (where appropriate to this purpose, an agency may include employees at grade GS-12);

"(3) Be designed to improve accountability, productivity and performance at the mid-management level; and

"(4) Provide a foundation of early management training and appropriate developmental experiences for SES candidate development programs". [412.107(e)]

c.   "Overall planning and management of the agency executive and management development program(s) shall be provided by a departmental or independent agency executive resources board or a complex of executive boards at agency and sub- ordinate levels..."[412.107(a)]

d.   "Each agency making or intending to make more than five career appoint- ments to the Senior Executive Service shall establish its executive and manage- ment development program in accordance with a program plan which has been approved by OPM.   Agencies shall...inform OPM of any significant changes as they occur..." [412.109]

5.   Linkage with Supervisory Development: Systematic efforts to develop management competencies begin at the first level of management -- the supervisory level. Wherever practical, development at the mid-management level should build on the base of developmental activities provided to supervisors.   Planning for the development of the entire agency management team (supervisors, managers and executives) should be closely coordinated to assure consistency and to minimize overlap and unnecessary costs.

6.   Schedule for Agency Action. Each department or agency subject to executive and management development program plan approval by OPM shall report to OPM amendments to its plan needed to meet the requirements reproduced in paragraph 4 above.   This information should be provided as soon as practicable, unless fully described in the plan update that was due November 2, 1981.   Plans for this component should call for system(s) and/or program(s) to become fully operational no later than January 1, 1983.   The above mentioned report was cleared in accordance with FPMR 101-11.11, and assigned report control number 0259-OPM-AN.

7.   Selection of Approach.   The regulation requires agencies to establish either open management development systems or selective management development programs or both.   Federal agencies differ markedly in characteristics which bear upon the selection of an approach to management development - that is whether a particular agency should choose an open system, a selective program or a combination of the two.

Because of the complexity of the factors influencing this decision, agencies should consult with their components, including field operations, in the design of their management development efforts.   Some factors in this decision are differences in size of agencies, geographical dispersion and organizational patterns, numbers and varieties of missions, programs and occupations, anticipated levels of turnover in managerial ranks, and an agency's history, including its pre- vious experience with management development.

Whenever possible, an agency should maintain both an open system and a selective program.   This will provide a broad based focus on improving management competence (and thereby improving productivity) throughout the organization plus an oppor- tunity to identify and intensively develop the most talented future managers.

a. Open systems are designed to address the developmental needs of all or a very substantial portion of the people who are in managerial positions. In addition, open systems often cover other employees who demonstrate both a high interest in and capacity for assuming managerial positions. This approach aims at improving the overall quality of management in an agency. It may be (but need not be) standardized, that is, have set courses for all managers, mass lectures and firm IDP requirements. However, an open systems approach may also be very flexible, allowing the widest variations in individual development. Developmental activities are apt to be in less depth in the short run than in selective programs since they apply to a large and varied group of individuals rather than to a select few. An open system should be tied to career development over many years.

b. Selective programs aim to prepare competitively selected employees for entry into managerial positions. These programs are based on the assumption that an agency with limited resources will get the best return for its investment by targeting its efforts at this smaller group with the best potential for successful future performance in managerial positions.

(1) In planning the number of participants to be accepted into selective programs, agencies should assume that candidates successfully completing the program will fill no more than 50% of projected management vacancies.

(2) The selective program may be particularly appropriate for tapping managerial potential and/or aspirations which have not been manifested in traditional ways, e.g., in uncovering and nurturing managerial potential on the part of individuals who have had no prior supervisory experience or experience in the line (or main-mission) occupation(s) of the agency.

(3) Although the law now provides for a probationary period before an initial appointment as a manager becomes final, a selective management development program provides an additional cushion, a preparatory period during which an individual can test both interest and potential, with a relatively graceful means of not proceeding should that seem desirable.

8. Eligibility. Normally, management development systems and programs will address employees in grades GS-13 through GS-15. However, to further progress toward affirmative action goals, agencies might need to include employees at GS-12. This could be necessary because, in special situations, the logical contenders for managerial positions would be in these grades. Additionally, some agencies have GS-12 jobs which have many of the functions of managerial positions.

9. OPM Role. OPM will assist agencies in the establishment of management development programs and monitor program implementation. The staff of The Office of Executive and Management Development, Workforce Effectiveness and Development Group is available for consultation on the establishment or operation of management development systems or programs and, within available resources, will provide needed advice and assistance on request.

b. Management development implementation will be monitored through:
    (1) The review of annual executive and management development Program
        Plan Updates (ending September 30, 1984);
    (2) Periodic executive and management development compliance audits;
        and
    (3) Regular OPM personnel management and executive personnel
        management evaluations.

Donald J. Devine
Director

Attachments

Management Development Premises

Each agency must plan its management development according to its own unique set of circumstances and needs. To help agencies in thinking through their planning and design of management development, some of the premises underlying this guidance and the regulatory provisions it implements are listed below:

1. It is possible to know what makes managers at different levels and in different occupations successful; that is, the competencies which are required for success- ful managerial performance can be identified. *

2. When identified, a variety of ways to develop managerial competencies can be devised and tested.

3. Viewing an individual's demonstrated skills and know-how rather than his or her work history provides a better basis for decisions regarding job suitability, performance, and managerial potential.

4. Individual managerial performance can be evaluated, both in terms of specific work objectives and clearly specified generic managerial competencies.

5. Managerial development includes much more than training, although managerial training is one of its key elements. Most managerial competencies are acquired through work experience and through interaction with effective managers. On- the-job improvement in management competency can be expedited through such means as well planned work assignments focused on gaps in an individual's career ex- perience, shadowing an experienced manager, job coaching and counseling by experienced executives and managers, and assignments to special task forces.

6. Responsibility for management development is shared by the individual and the organization. The organization has an obligation to establish a fair and effective management development system. The individual who wishes to be a manager and the incumbent manager have obligations for self-development, on and off the job.

7. Part of the potential efficacy of a selective program is that participants may be motivated to acquire competencies by the realistic prospect of career advancement for doing so; competencies are thus tied to performance and pro- jected role-acquisition.

8. It is quite possible that the beneficial effects of the selective approach would not be limited to those who are formal participants; a well-designed, well-executed program should produce considerable transfer of management information and concepts from those who have participated to others who have not. An effective selective program should also foster a more general under- standing and application of the process and techniques of management development.

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 * OPM's Office of Executive and Management Development is engaged in continuing research to identify and validate generic managerial competencies. Assistance in getting and using results to date may be obtained by contacting OEMD.

9. The number of participants in a selective management development program should
    bear some meaningful relationship to anticipated needs for managers --small
    enough for there to be considerable likelihood of advancement to managerial
    positions but not so small and so highly selective that accession is virtually
    guaranteed.

10. All managers need continuing access to up-to-date information about management
    techniques and practices, and adequate opportunities to develop competencies
    required to perform effectively and meet their managerial responsibilities.
    This premise takes on added significance with the introduction of merit pay
    systems for managers.

11. Competency based IDP's are useful and should be required for participants in
    management development systems and programs; they are most useful when linked
    to the performance appraisal process.

12. Since development for managerial and executive positions in reality begins
    early in a person's career, even before assuming supervisory responsibilities,
    agencies should maintain close coordination and continuity between their
    management development efforts, their supervisory development program and
    their executive development programs.

13. If the continuity and coordination between supervisory development, management
    development and executive development is to be a reality, the responsibility of
    managers for the development of their subordinate managers and supervisors must
    be recognized and institutionalized.

14. To move from journeyman or supervisory work to a managerial position is to
    cross one of the most significant career thresholds. It is in the interest
    of agencies and individuals alike that such moves not be undertaken lightly;
    thus it is potentially a worthwhile investment for an agency to provide a
    means whereby employees who so desire may, for their own information, assess
    their motivation and aptitude for managerial work.

Definition of Managerial Positions

Managerial positions are those in which incumbents (1) direct the
work of an organization, (2) are held accountable for the success of
specific line or staff programs, (3) monitor the progress of the
organization toward goals and periodically evaluate and make
appropriate adjustments, and (4) typically perform the full range
of the following duties and responsibilities:

   a. Determine program goals and develop plans for the organi-
      zation independently of or jointly with higher management;

   b. Determine resource needs and allocation of resources and
      account for their effective use;

   c. Determine the need and develop plans for organizational
      changes which have considerable impact, such as those in-
      volving basic structure, operating costs, or key positions;

   d. Consider a broad spectrum of factors when making decisions
      (or recommendations to higher-level management) including
      public relations, Congressional relations, labor-management
      relations, public policy stances, effect on other organi-
      zations and other parts of the organization, economic impact,
      and the like;

   e. Coordinate program efforts with other internal activities or
      with the activities of other agencies;

   f. Assess the impact on organization programs of substantive
      developments in programs and policies in other parts of the
      agency, in other Government entities, and in the private sec-
      tor;

   g. Set policy for the organization managed in such areas as
      determining program emphasis and operating guidelines;
      understand and communicate agency policies and priorities
      throughout the organization managed;

   h. Deal with general personnel management policy matters affect-
      ing the organization manager, with personnel actions affecting
      key employees, and other actions with possible serious re-
      percussions; and

   i. Delegate authority to subordinate supervisors and hold them
      responsible for the performance of their organizational units.

"Deputy" positions are included when the responsibility for managing the total organization is divided between the manager and the deputy; or when the deputy serves as an alter ego and assists the manager in all phases of the organization's work.

It is recognized that this definition excludes many positions which require a high degree of expertise in management subjects but which do not include responsibility for directing an organization or a subdivision of an organization. The definition excludes:

- General staff assistants to managers;

- Positions at the first or second supervisory levels that pri- marily involve the duties outlined in the definition of super- visory positions as distinguished from managerial duties in- cluding positions with some but not the full range of managerial duties described above;

- Nonsupervisory positions with responsibility for technical guidance of work performed by contractors, grantees, or personnel in other Government organizations.

For any difficulties in distinguishing between positions which are managerial or supervisory, refer to the publication in which this definition appears, Position- Classification Standard for Supervisory Grade-Evaluation Guide, January 1976, U.S. Civil Service Commission, Bureau of Policies and Standards (now known as U.S. Office of Personnel Management, Standards Development Center)